

Guide on Carbon Market Services for Companies Becoming More Sustainable

Today, a business isn't expected just to increase its profits; it is also expected to have a positive impact on the environment. [Carbon Market Services](#) is an important part of how companies are able to decrease their carbon footprint while achieving international sustainability standards. Regardless if you're new to sustainability or have already developed ESG or Corporate Social Responsibility (CSR) strategies, knowing how carbon markets operate enables a company to make more intelligent and eco-friendly choices.

The purpose of this blog is to clarify how Carbon Market Services can benefit both the sustainability of our planet and the growth of your business.

What Are Carbon Market Services?

[Carbon Market Services](#) provide businesses with tools for measuring, managing, reducing, and offsetting their carbon emissions through market-based approaches. Businesses access the interconnectedness of carbon credit markets, allowing them to offset their unavoidable carbon emissions through investment in environmental projects that have been independently verified.

Carbon Markets create a financial incentive to reduce carbon emissions by placing a monetary value on carbon. Thus, companies can sell carbon credits when they reduce their emissions and purchase carbon credits when their emissions exceed the allowable amount (to lower their overall impact).

Why Are Carbon Market Services Important for Businesses?

The Continuous Increase in Climate Regulations and Stakeholder Expectations Makes Carbon Market Services Essential for Business Success.

Carbon Market Services Support Companies' Ability to Remain Compliant with Emerging Climate Regulations, Including Sustained Improvement in Their Sustainability Performance.

Significant Benefits of Using Carbon Market Services:-

Helps Companies Achieve Net-Zero and Carbon Neutrality Goals.

Supports Companies' Compliance with Both National and International Climate Regulatory Compliance.

Increases Companies' Environmental, Social, and Governance (ESG) Scores and Sustainability

Reporting.

Increases Brand Recognition and Investor Trust.

Provides Companies with Long-Term Cost Reductions through Cutting Emissions.

Using Professional [Carbon Market Services](#) Provides Company Assurance of Accurate, Transparent, and Credible Results in Carbon-Related Activities.

Simplicity: Two Types of Carbon Markets

There are two main types of Carbon Markets, which are both supported by Carbon Market Services for Companies.

Compliance Carbon Markets

Compliance Carbon Markets are regulated by governments and require Companies to stay within limits on Green House Gas emissions.

Examples of Compliance Carbon Markets include:

Emissions Trading Systems (ETS)

Cap-and-Trade programs

Companies that go over the cap for their emissions are required to purchase carbon credits from Companies that have low emissions and are able to sell their carbon credits.

Voluntary Carbon Markets

In Voluntary Carbon Markets, Companies voluntarily purchase carbon credits as a means of meeting their own sustainability objectives.

Common users of Voluntary Carbon Markets include:

Corporations working towards Net-Zero

Export businesses

Investors focused on Environmental, Social and Governance (ESG) concerns

Carbon Market Services help Companies find high quality, verified carbon credits in Compliance and Voluntary Carbon Markets.

An Overview of How Carbon Market Services Operate

Understanding how a company can take this process begins with assessing their carbon footprint.

Step 1: Assess your Carbon Footprint

A company's emissions are assessed through Scope 1, Scope 2 and Scope 3.

Step 2: Establish a Reduction Strategy

A reduction strategy is recommended based on expert advice using energy efficiency and clean technology.

Step 3: Carbon Credit Sourcing

A company offsets their remaining emissions by purchasing verified carbon credits.

Step 4: Track and Report on Emissions

Companies should monitor regularly and maintain transparency, while providing support for ESG and sustainability reporting.

The Professional Carbon Market Services offer a seamless experience throughout the entire process.

The Role of Carbon Credits in Carbon Market Services

At the heart of carbon market services lies carbon credits, with one carbon credit being equal to one ton of CO₂ either reduced or removed from the atmosphere.

Examples of Carbon Credit Projects

Wind and solar power

Forestry and afforestation

Capture and Sale of Methane

Energy Efficiency Enhancement

Reliable carbon market services only offer carbon credits that are certified through recognized certification standards like Verra (VCS), Gold Standard, or CDMs.

How Carbon Market Services Facilitate ESG Objectives

Environmental, Social and Governance (ESG) Performance has become a top consideration by investors and regulators. The role of the carbon market services supports the Environmental Pillar of ESG.

Benefits of ESG

Increase the quality of climate-related disclosures

Assist to meet Science-Based Targets

Enhance Sustainability Rankings

Support the United Nations Sustainable Development Goals (SDGs)

Utilising reputable Carbon Market Services will provide assurance that your company is taking meaningful action against climate change, as opposed to simply making a commitment.

Find a Carbon Market Services Provider Based on Your Business Needs

When you're looking for a partner to help you with carbon market services, it's important to understand that not all providers have the same level of experience or expertise.

What Does a Great Carbon Market Service Provider Offer?

Transparency:

Documented transparency with verified carbon credits.

Technical Capability:

Knowledgeable of the regulations, carbon markets, and ESG frameworks.

End to End Service:

All services from carbon footprint calculations to carbon offset credits.

Creating a Strong Carbon Market Services Provider as a Long-Term Sustainability Partner:

With the current political landscape continuing to push for tougher climate policies, the demand for carbon market services is only going to increase. As technology continues to advance through digital solutions, artificial intelligence-based monitoring systems, and greater global standardization by way of international regulatory bodies; carbon markets will continue to move towards greater levels of transparency and efficiency.

Businesses who make decisions to engage with a carbon market services provider early will be able to take advantage of lower risk, improved sustainability performance and thus be able to achieve greater business success than competitors who do not engage early enough.

Final Thoughts

The use of [Carbon Market Services](#) should not be considered an 'option' anymore; it has become a necessary and strategic tool for all businesses looking to grow sustainably. It assists companies in reducing their carbon footprint through the reduction of their overall CO2 emissions, as well as meeting their ESG goals, compliance with various state/federal regulations, and developing a business strategy that is aligned with Environmental Responsibility and overall success in business.

Utilizing Professional Carbon Market Services enables Companies to take positive action regarding Climate Change while creating confidence with customers, investors, and regulators. Now is an ideal time for businesses to be involved in the growth of the global low carbon economy.

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